

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| THE APPLICATION OF WESTERN MASON WATER) | |
| DISTRICT FOR A CERTIFICATE OF PUBLIC) | CASE NO. |
| CONVENIENCE AND NECESSITY TO CONSTRUCT) | 93-362 |
| ADDITIONAL WATER LINE EXTENSIONS) | |

O R D E R

By a joint application filed October 20, 1993, Western Mason Water District ("Mason Water") and Mason County Fiscal Court ("MCFC") are seeking authorization to construct a \$93,630 waterworks improvement project. Project funding includes MCFC financing in the amount of \$21,647, an Area Development Grant of \$30,000, and \$41,983 from applicants for service in the proposed area.

The proposed construction will provide water service to about 19 new residential customers. Plans and specifications for the proposed improvements prepared by Kennoy Engineers, Inc. of Lexington, Kentucky ("Engineer"), have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Public convenience and necessity require that the construction proposed be performed and that a Certificate of Public Convenience and Necessity be granted.

2. The proposed construction consists of 4.6 miles of 6- and 4-inch diameter pipelines, and related appurtenances. After allowances are made for fees, contingencies, other indirect costs, the total cost of this project is approximately \$93,630.

3. Based on the information submitted, Mason Water/MCFC may experience some low pressure areas in its distribution system. Therefore, Mason Water/MCFC should monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 5(1), Mason Water/MCFC should take immediate action to maintain the level of service in conformance with the regulations of the Commission.

4. Mason Water/MCFC should obtain approval from the Commission prior to performing any additional construction not expressly certificated by this Order.

5. Any deviation from the construction approved should be undertaken only with the prior approval of the Commission.

6. Mason Water/MCFC should furnish duly verified documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Said construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.

7. Mason Water/MCFC should require the provision of construction inspection under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

8. Mason Water/MCFC should require the Engineer to furnish within 60 days of the date of substantial completion of this construction a copy of the "as-built" drawings and a signed statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications.

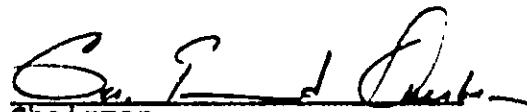
IT IS THEREFORE ORDERED that:

1. Mason Water/MCFC be and it hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the drawings and specifications of record herein, on the condition that service levels be monitored and corrective action taken in accordance with Commission regulations.

2. Mason Water/MCFC shall comply with all matters set out in Findings 3 through 8 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 12th day of November, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director